

**DELAWARE DEPARTMENT OF TRANSPORTATION
AUDIT SECTION
INTERNAL CONTROL QUESTIONNAIRE**

Company Information

Date: _____ **Prepared By:** _____

Firm's E.I.N. No.: _____

Name of Firm: _____

Address: _____

Telephone No. _____ **Fax No.** _____

Web Site/Email Address: _____

Type of Organization:

_____ **Corporation**

_____ **Closely Held**

_____ **Family**

_____ **Publicly Held**

Names and Titles of Corporate Officers

_____ **Partnership**

Partner's Names and ownership %:

_____ **Division of:** _____

_____ **Other Type of Organization:** _____

If there have been no changes since your previous questionnaire submission please sign and return:

Signature: _____

Date: _____

Estimated breakdown of labor force:

- Number of employees working on billable projects: _____
- Number of administrative employees/non-billable: _____

Annual Sales/Expenditures (Most recent complete fiscal year): \$ _____

What is your fiscal year/accounting period? _____

Financial Information and Processes

Preparer of Firm's Financial Statements:

Does the firm prepare an indirect cost/overhead schedule:

_____ Yes. Please forward most recent copy.

_____ No.

Indicate the method used to determine the overhead derivation:

_____ Cash _____ Accrual

Please indicate the name of the State, Municipal, or Federal agency that has recently audited your firm.

Attach a copy of that report.

Is there any property or equipment owned by partners/corporate officers or other close relationship, which is leased to the firm?

_____ Yes _____ No

If yes, please explain the relationship.

What written procedures and policies do you maintain?

_____ Accounting

_____ Personnel

_____ Other _____

Is the accounting system computerized or manual? _____

If accounts are computerized, what software package do you use? Since when?

What basis of accounting are you on?

____ Cash

____ Accrual

____ Modified Accrual, if yes explain

What reports do you generate and how often?

	<u>Monthly</u>	<u>Yearly</u>
A. General Ledger	_____	_____
B. Cash Disbursements	_____	_____
C. Cash Receipts	_____	_____
D. Payroll Register	_____	_____
E. Project Cost	_____	_____
F. Direct/Indirect Labor Report	_____	_____
G. Other	_____	_____

How often are reports reconciled? Who reconciles? _____

Is a Job Order Cost Accounting system in use? ____ Yes ____ No

If yes, are there separate direct and indirect accounts in the General Ledger and Purchases or Cash Disbursements Journals?

____ Yes ____ No

Explain:

Is your cost accounting system integrated with your financial accounting system? If so, explain.

Which of the following expenses are normally billed to clients and at what unit price?

Employee personal mileage & travel expenses ☐ Yes ☐ No

Rates Applied: Mileage: _____

Travel Expenses: _____

Company Car Mileage ☐ Yes ☐ No Rate: _____

Xerox Copies ☐ Yes ☐ No Rate: _____

Prints & Reproductions ☐ Yes ☐ No Rate: _____

Attach rate schedule for in-house charges.

Telephone ☐ Yes ☐ No

Computer ☐ Yes ☐ No

If yes, attach documentation used to develop the billing rates.

What advertising expenses do you incur and to what accounts are these expenses charged?

Are all jobs costed consistently, even if they cannot be billed directly? Explain.

Are direct costs identified on lump sum jobs? ☐ Yes ☐ No

Do you maintain any Cost Centers (ie. A separate cost pool for CADD)? What are they?

In distributing labor, please explain the system used by the firm.

Approximately, what percentage of your business is governmental versus private?

Is the company beneficiary of life insurance policies on key personnel?

Are time sheets prepared by all company personnel? _____

Do the principals and secretarial staff charge time directly to all projects? If yes, approximately what is the percentage of direct versus indirect?

Is all time worked reported? Is time charged directly to all projects regardless of type or status of a contract?

Can or is the payroll register reconciled to the general ledger (accounting system) and also to the cost accounting system?

Are the time sheets reviewed by a second person and signed by this reviewer?

Does the firm use contract labor and how is this labor accounted for?

Does the firm use temporary labor? What is the percentage versus full-time? Is there a reduced overhead rate for such labor?

Does the company have a written bonus policy?

Do employees continue to charge time to jobs on which the firm has incurred an overrun?

____ Yes ____ No

What is the company's policy for overtime hours and pay for salaried individuals?

Please attach the following

- _____ Copies of current financial statements
- _____ Chart of Accounts
- _____ Federal Tax Return for the most recent two years

This questionnaire may be returned by mail, fax, or email.

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